

COUNCIL ON HOUSING
Public Session
Buena Vista Conference Center
New Castle, Delaware
October 13, 2010

Action Items

- Mr. McLaughlin to schedule January meeting with the Governor.

Motions

- Approval of August 11, 2010 Minutes.
- Approval of Interfaith-Southbridge request, Resolution No. 407.
- Approval of Interfaith-Edgemoor Gardens request, Resolution No. 408.
- Approval of RC&D request, Resolution No. 409.
- Approval of Homeless Planning Council request, Resolution No. 410.
- Approval of Milford Housing Development Corporation request, Resolution No. 411.
- Approval of NCALL Rural Development Homeownership Initiative request, Resolution No. 412.
- Approval of West Ending Neighborhood House Security Deposit Program FY 11 request, Resolution No. 413.
- Approval of NCALL revolving loan fund for manufactured housing request, Resolution No. 414.
- Approval of Federation of Housing Counselors administrative services request, Resolution No. 415.

November 2010 Agenda Items

- DSHA Housing Management presentation.

Important Dates

- October 20 – Developer Low Income Housing Tax Credit forum, Del-Tech Terry Campus, 10:00 am.
- November 3, 2010 – DSHA Budget Hearing at Legislative Hall at 11:00 a.m.
- December 10 – Prospective HDF applicant's meeting, Liberty Court, Dover, 9:00 am.
- December 17 – QAP forum at DNREC, Dover, 9:00 a.m.
- January 2011 – the Governor releases the Budget.
- February 2011 – Budget mark up.

Norma Zumsteg, Chair, called to order the public session of the Council on Housing at 2:00 p.m. on October 13, 2010. In addition to Ms. Zumsteg, the following Council members were present:

Russ Huxtable
Hugh Leahy
Connie Louder
Ralph Peters

Ruth Sokolowski
John Walker
Vincent White

The following Council members were absent and excused from the meeting:

Anita Auten
Pat Batchelor

Donna Mitchell

Also attending:

Timothy L. McLaughlin, Deputy Director, Delaware State Housing Authority (DSHA)
Lynda Blythe, Administrative Specialist III, DSHA
Cindy Deakyne, Housing Asset Manager, DSHA
Jerry Jones, Housing Finance/Development Administrator
Matthew Heckles, Legislative and Policy Advisor, DSHA
Lisa McCloskey, Housing Mortgage Finance Officer II, DSHA

Guests present:

Karen Kollias, NCALL
Gina Miserindino, Delaware Housing Coalition
David Moore, Milford Housing Development Corporation
Gary Pollio, Interfaith Community Housing of Delaware, Inc.
Barbara Reed, West End Neighborhood House
Dennis Sheer, Interfaith Community Housing of Delaware, Inc.
Mike Skipper, WSFS Bank
Ken Smith, Delaware Housing Coalition
Karen Speakman, NCALL
Susan Starrett, Homeless Planning Council
Fred Traute, RC&D

APPROVAL OF MINUTES

Ms. Sokolowski moved that the Minutes of August 11, 2010 be approved as written. Mr. Peters seconded the motion and the Minutes were unanimously approved.

DELAWARE HOUSING COALITION Presentation

Mr. Smith, using the attached handouts, presented a report on housing Delaware's extremely low-income (ELI) households stressing:

- Affordable rental housing for ELI households is a primary housing need.
- Needs exceed resources.
- Many current federal resources do not target these households.
- Need for state-wide rental assistance program.

Ms. Sokolowski stated Mr. Smith had been invited to speak by the Housing Policy Committee and that his report would be very important to the future spending of HDF funds.

DSHA REPORT

Mr. McLaughlin report: reported:

- DSHA met with the Office of Management and Budget in September regarding the FY 2011 budget request of \$11,320,000.
- The request includes funding, as in previous years, for the HDF base budget (\$4.07 million), affordable rental preservation program (\$4 million), foreclosure prevention (\$250,000) and a new request of \$3 million for a state rental assistance program which would work in conjunction with social services agencies.
- Important upcoming dates are:
 - November 3, 2010 – DSHA Budget Hearing at Legislative Hall at 11:00 a.m.
 - January 2011 – the Governor releases the Budget
 - February 2011 – Budget mark-up
 - JFC hearing TBA
 - Bond Bill hearing TBA

Mr. McLaughlin urged Council members to make comments at the Budget Hearing if they so desire.

Mr. Peters suggested, and Council agreed, that a letter to the Governor regarding the 2011 budget be prepared and presented in person to the Governor in January. Mr. McLaughlin will schedule this meeting.

HDF STATEMENT REVIEW

Mr. Jones reviewed the statement (copy attached) stating:

- Arbor Place III, which is scheduled for its initial closing October 14, is not shown on this statement as only TCAP and HOME funds are being used for this project.
- Item # 112, West Center Village, is the last project to use Exchange dollars and, working with WSFS Bank, should close by the end of November.
- Items #121-126 represent projects approved from the first round of 2010 HDF funding requests.
- Items #127-131 are Tax Credit applications which will be presented to Council at the November and/or December meetings.

- Items #132-140, being presented to Council at this meeting, represent applications received for the second round of HDF funding and is the largest number ever brought before Council.
- The HDF requests were reviewed by the Loan Review Committee on October 6th.

Mr. Jones noted two additional important dates to which Council is invited:

- October 20 – Developer Low Income Housing Tax Credit (LIHTC) Forum at 10:00 a.m. at Del-Tech's Terry Campus in Dover. DSHA will present the changes to the Tax Credit application to stakeholders for their feedback.
- Another meeting with prospective HDF applicants will be held December 10th at Liberty Court from 9:00 a.m. to 12:00 noon.
- The QAP forum, a public hearing regarding Tax Credits will be held December 17th at DNREC in Dover.

DSHA anticipates presenting the QAP in late December/early January to the Governor for his signature and receipt of applications in early April.

COMMITTEE REPORTS

LOAN REVIEW

Mr. Leahy reviewed the attached HDF Application Ranking Chart for grant applications, administrative grant applications, and loan applications noting:

- Interfaith-Southbridge and RC&D had their funding adjusted by the same percentage since their ranking scores tied.
- West End Neighborhood House received only a portion of the funds requested and will re-apply in January 2011 for the balance.
- \$375,000 will be added to the loan setaside for the January round since this amount was left over in the current round.

Mr. Peters, noting the rankings generally appeared very close, asked if the qualifications were sufficient. Mr. Leahy replied that the point system appears to be good, is very explicit, and is in the control of the applicant; however, DSHA does expect to receive more feedback from the participants.

Ms. Sokolowski stated that, because of numerous grant requests, the loan category may need to be adjusted and the grant setaside increased. Mr. Peters believes the setasides are reasonable.

Mr. Leahy stated it was the recommendation of the Loan Review Committee that the following requests be approved:

- Res. No. 407 and 408 – Southbridge Homeownership and Edgemoor Gardens (both Interfaith projects). Ms. Sokolowski seconded the motion which passed with Ms. Louder abstaining.
- Res. 409 - RC&D. Mr. Huxtable seconded the motion which was unanimously passed.
- Res. 410 - Homeless Planning Council. Mr. Peters seconded the motion which passed unanimously.
- Res. 411 – Milford Housing Development Corporation – Self-Help-Administrative Grant. Mr. Peters seconded the motion which was passed with Mr. Huxtable abstaining.
- Res. 412 – NCALL Administrative Grant. Mr. Huxtable seconded the motion which passed with Ms. Louder abstaining.
- Res. 413 – West End Neighborhood House – Security Deposit Program. Mr. White moved for approval and Mr. Walker seconded the motion. The motion passed unanimously.
- Res. 414 – NCALL – Manufactured Home Loan Program. Mr. Peters seconded the motion which passed with Ms. Louder abstaining.
- Res. 415 – Delaware Federation of Housing Counselors, Inc. – Housing Counseling Services. Mr. Leahy noted this application was reviewed, not ranked, because the Federation is a sole-source service provider and counseling is mandated for SMAL assistance. DSHA recommended waiving this application from the ranking process. One change to the grant summary is that YMCA Delaware should read YWCA Delaware. Mr. Peters seconded the motion which passed with Ms. Louder abstaining.

OPERATIONS

Ms. Louder stated she had no report at this time.

HOUSING POLICY

Ms. Sokolowski stated the committee had met in late August to discuss DSHA priorities, a recap of which was sent to Council prior to the meeting and is attached. Ms. Sokolowski noted the priorities are strategic initiatives which are in addition to DSHA's on-going business and represents new ventures and areas of opportunities which cross over different divisions. Mr. Heckles, Director of Policy & Planning, reviewed the attached, specifically noting:

1. Core business priorities
 - Rental Housing
 - Preservation
 - Statewide Rental Assistance Program
 - Reinventing Moving to Work
 - Homeownership
 - Reduce the impact of the foreclosure crisis
 - Support first time homebuyers

2. Exploring new opportunities

- Rental Housing
 - Creative multifamily financing
 - Preservation, enhancement and transformation of Rental Assistance (PEETRA) initiative.
- Homeownership
 - Homeownership rehabilitation programs
 - Homeownership program opportunities.

Mr. Leahy believes there may be too much emphasis for programmatic funding on the buyer's side and not enough emphasis on the supply side by providing incentives to developers for the creation of affordable housing.

COMMUNICATIONS

Mr. Leahy stated the annual report will be published by the first of November.

SCHEDULING OF NEXT MEETING

The next meeting will be held at 2:00 p.m. on November 10, 2010, in the Community Building at Huling Cove in Lewes, DE.

ADJOURNMENT

Upon motion made by Mr. Peters, seconded by Ms. Louder, and unanimously passed by the Council, the meeting was adjourned at 4:10 p.m.

Respectfully submitted,



Lynda T. Blythe

Note: Copies of materials referenced as "attached" in these Minutes are available upon request.